



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

December 8, 2000

CERTIFIED RETURN RECEIPT
Z 228 355 102

Joe Dunlop
Resource Design Solutions
P.O. Box 1178
Riverton, Utah 84065

Re: Small Mine Operation Exceeding Five Acres of Disturbance, Resource Design Solutions, RDS
61, S/023/066, Juab County, Utah

Dear Mr. Dunlop:

The Division carried out a site inspection of the RDS 61 project area with the BLM on November 22, 2000. The BLM Fillmore field office has surveyed the site on two different occasions and found surface disturbance of 6.65 acres (see enclosed BLM map). Our Mineral Reclamation Program Rules for a Small Mine, R647-3-113, require an operator file a Notice of Intention to Commence Large Mining Operations (FORM MR-LMO) and receive Division approval *before* enlarging an operation beyond five acres.

The total disturbed area now stands at 6.65 acres. If you believe this acreage is incorrect, please provide a registered survey and/or other appropriate justification to this office by December 22, 2000. The 6.65 acres of disturbance exceeds the five acre limitation of your small mining notice. This project now meets the disturbed area requirements to be categorized as a large mining operation. We have not received a Notice of Intention to Commerce Large Mining Operations (LMO) from you for this project.

In order to remedy this situation, we have outlined some possible options which are described below. We will require a written response from Resource Design Solutions within five days of your receipt of this letter identifying which option has been selected.

1. Commence immediate reclamation of the mine site to reduce your surface disturbance to five (5) acres or less, by backfilling/regrading/recontouring and reseeding. This work must be completed no later than January 10, 2001. As part of this option, you will need to delineate in the field with clear markers, all portions of the five acre mine site area within which Resource Design Solutions will confine its mining and reclamation activities; or

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Page 2
Joe Dunlop
S/023/066
December 8, 2000

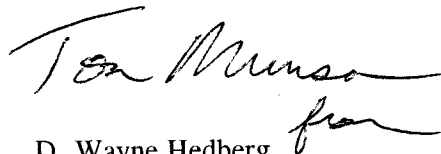
2. Post a *transition reclamation surety*, appropriate surety form and reclamation contract in the amount of \$25,000 within 30 days of your receipt of this letter. This amount is a conservative estimate of the projected costs for the Division to reclaim the site in its present condition (@6.65 acres x \$3,800/acre). This reclamation surety amount will be adjusted accordingly upon final approval of your large mining operation permit application; and
3. File a complete and technically adequate Notice of Intention to Commence Large Mining Operations (FORM MR-LMO) with this office within 60 days of your receipt of this letter. A requisite \$350 permit application fee is required to accompany a new LMO with less than 50 acres of disturbance.

Large Mining Notices generally require at least nine to twelve months for processing and final Division approval. A copy of the LMO application form and the mineral rules are enclosed for your use. Posting of a transition reclamation surety will allow you to continue your operations within the existing disturbed area until the LMO is approved.

If you fail to post a *transition* reclamation surety and LMO application form, or conduct timely reclamation of the excess disturbance, we will be forced to initiate formal enforcement actions. Those actions could include, but not be limited to any or all of the following: a Notice of Noncompliance, a Notice of Agency Action (requiring a formal public hearing), cessation of operations, permit revocation, immediate reclamation, fines and/or other appropriate penalties as authorized by state mining laws.

If you have any questions regarding the requirements in this letter, please contact me at (801) 538-5286. If I am unavailable, please contact Tom Munson (538-5321) of the Minerals Reclamation Program at your earliest convenience. Thank you for your cooperation in resolving this situation.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosures: Map, Rules, MR-LMO form

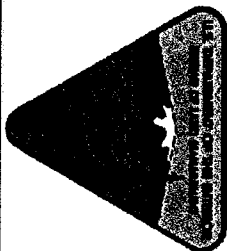
cc: Rex Rowley, BLM, Fillmore FO (UTU-075857)

~~Pamela Grubaugh-Littig~~, DOGM

Tom Munson, DOGM

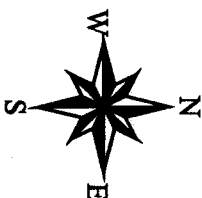
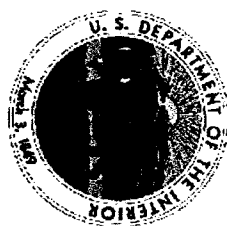
S23-66-ltr

Mary Ann Wright



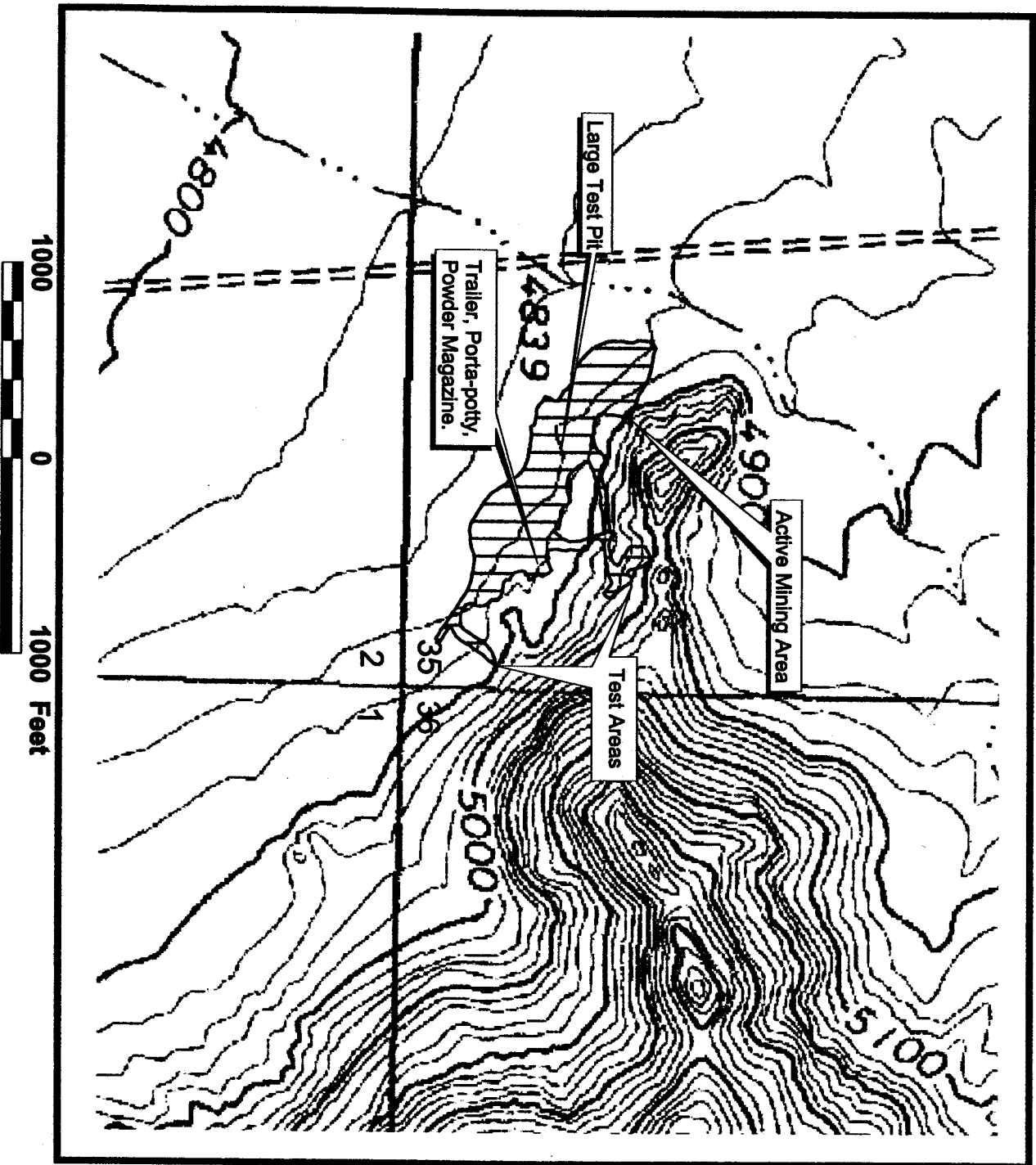
RDS Disturbance

UTU-075888



T. 12 S., R. 7 W. Sec. 35
Base Map
Desert Mountain Reservoir
7.5 Min Quad
Juab County Ut.
UTM 363315
4398617
Disturbance = 6.65 acres
GPS'd on Nov. 14, 2000

Prepared by: Larry Garahana
Date: November 15, 2000



SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

JOE DUNLOP
RESOURCE DESIGN SOLUTIONS
PO BOX 1178
RIVERTON UT 84065

Article Number (Copy from service label)

Z 228 355 102

JB

DOGM

S/023/066 12/8/00

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

Joseph Dunlop

B. Date of Delivery

12/15/00

C. Signature

X

☐ Agent

☐ Addressee

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☒ No

3. Service Type

☐ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes